

# The Visa Back to Business Study

2021 Women's Edition



**VISA**

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# Females on the Frontline of Change

Women-Owned Small Business and Consumer Global Outlook




In a pandemic-challenged business environment, women-owned small and micro businesses (SMBs) are continuing to prove their resilience and show dedication to maintaining a safe shopping experience for their customers. This focus is paying off with their largest consumer group: women. As our world slowly moves toward recovery from COVID-19, female SMBs are also demonstrating fierce optimism and are more hopeful (83%) than male SMBs about the future of their business. Their positive outlook is reflected by the fact that the majority of their businesses are operating at pre-COVID levels.

In fact, more than half of women-owned businesses (54%) are already fully operational, and another 24% expect to be in the next six months. Millennial SMBs are particularly better positioned to deal with the COVID-19 disruption, reporting the lowest average time until their business is back to being fully operational again, at slightly under six months (compared to almost eight months for Gen X and 11 months for Boomer-owned small businesses).

The Visa Back to Business Study – 2021 Women’s Edition, comes at the start of Women’s History Month – a pivotal time for companies to accelerate their financial and educational support for women-owned small businesses – and provides an outlook on how we can continue to support this vital group in 2021 and beyond.

## FEMALE SMBs BY THE NUMBERS

37% 

37% saw 2020 as an opportunity

10% 

10% of females surveyed started a new business

83%

of female SMBs are  
optimistic about the  
future of their business

# Female-Owned SMB Findings

## FAILING IS NOT AN OPTION

Many female SMBs have faced recent challenges head on, adapting and even flourishing in this new business climate, especially female-SMBs in Hong Kong, Singapore and UAE.

Nearly all (96%) are more likely to have taken steps to adapt their business, more than their peers in the U.S., Canada, Ireland and Germany (78% each). The most popular change among all regions is selling more products or services online: 50% of those in Hong Kong, Singapore and UAE, 47% of those in the U.S. and Canada, and 38% of those in Germany, Ireland and Russia.

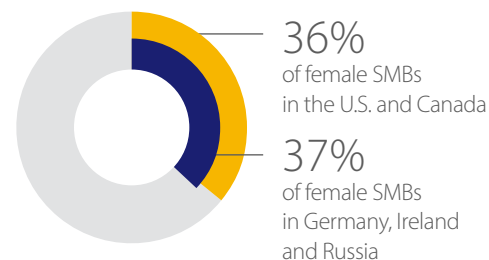
## OPTIMISM IS THE DRIVING FORCE

Contrary to conventional wisdom, smaller businesses believe they have what it takes to weather even worse economic storms. Female SMBs at companies of 10 employees or less (45%) are far less likely than their counterparts at companies of more than 10 employees (62%) to believe that their business will go under in a few months if the economic situation worsens. Instead of allowing pandemic-related challenges to hold their businesses back, they used improvisation and innovation to push forward. More than a third of female SMBs (37%) saw COVID-19 as more of an opportunity than a challenge. Of those, 42% said they were able to focus on new or different products, and another 37% expanded their sales channels.

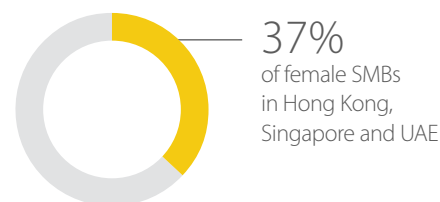
The youngest group of business owners were able to view the 2020 market landscape through their openness to change and technological expertise.

## STAYING SAFELY CONNECTED

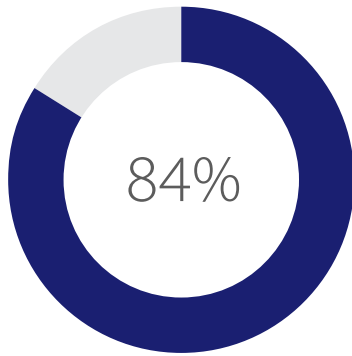
When it comes to shifting their business online, **female SMBs in the U.S. and Canada (36%) and Germany, Ireland and Russia (37%) are most concerned about the loss of personal connection.**



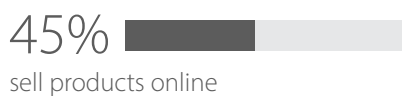
**Those in Hong Kong, Singapore and UAE are most concerned about data privacy and lack of tech expertise (37% each).** This concern may be driven by the fact that female SMBs in Hong Kong, Singapore and UAE (50%) are twice as likely as those in the U.S. and Canada (25%) and Germany, Ireland and Russia (23%) to cite customer concerns over fraud as a frequent obstacle to using new tech.



More than 4 in 5 female SMBs (84%) took steps to adapt their payment methods to meet the needs of shoppers in this new normal.



The most common steps female entrepreneurs took were to sell products online (45%) and offer contactless payments (43%).



Millennial female SMBs (43%) were more likely to view 2020 as a period of opportunity than Gen X (32%) and Boomer (24%) SMBs. Tech-savvy female SMBs (47%) are more likely than tech-challenged peers (29%) to have seen 2020 as an opportunity.

One of the key adjustments was updating to more safe ways to complete sales. More than 4 in 5 female SMBs (84%) took steps to adapt their payment methods to meet the needs of shoppers in this new normal. Female SMBs most often tweaked their businesses by aligning with shopping behaviors that women historically lead the way in. The most common steps female entrepreneurs took were to sell products online (45%) and offer contactless payments (43%).

### ADAPTING TO CONSUMERS' NEEDS

Though older adults are more vulnerable, younger women are shopping online more often. Nearly three in five (59%) Millennial women are shopping online whenever possible, compared to Gen X (50%) and Boomer (42%) women. But, it's not always possible to shop online, so when women leave their computer or phone screen for an in-person shopping experience, they want stores and SMBs to take precautions for a particularly high-risk interaction – the cash register.

A clear majority of women (64%) say they expect brick-and-mortar retail stores to offer contactless payment options. In fact, Millennial women are more likely than their Gen X and Boomer counterparts to expect the ability to use mobile payment apps (46%, compared to 40% of Gen Xers and 26% of Boomers) as well as mobile wallets (40%, compared to 33% of Gen Xers and 22% of Boomers). If a store does not offer contactless payment options, it's a deal-breaker for nearly half (49%) of Millennial women, compared to 37% of Gen X and 39% of Boomer women.

### TECH EFFECT

Younger female SMBs may be the models for how to adapt and evolve during tough economic times. Millennials (41%) are more likely to be proficient with technology than Gen Xers (29%) or Boomers (15%) and are therefore much more likely to see the benefits of tech investment (93% vs. 81% of Gen X and 72% of Boomers). Despite cost being a major consideration, technology tools are necessary to compete in today's business marketplace and female SMB owners at larger companies (96%) still see investment in technology to meet consumer expectations as critical, more so than those at smaller companies (81%).

After having stepped up to meet consumer expectations during 2020, there's generally no turning back on the digital front. Over nine in 10 (93%) tech-savvy female SMBs see the demand for tech investments to remain relevant, compared to about three in four (76%) of their novice peers. For those determined female SMBs, the COVID crisis served notice of the need to prepare for the challenges to come. More than four in five (86%) tech-savvy female SMBs plan to continue digitizing business operations.



# Female Consumer Findings

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Women are firmly holding steady on the frontline of how COVID-19 is changing the shopping landscape and driving new norms that will stick around post-pandemic. Their dedication to keeping themselves, their staff, and those around them safe is admirable and their efforts are setting the trend for consumer safety worldwide.

Women consumers are more likely than men to consider it important for stores to follow common COVID-19 safety measures such as requiring facemasks (74% vs. 69%), disinfecting carts (64% vs. 56%) and checkouts (47% vs. 39%), and having capacity limits for social distancing (56% vs. 50%).

## **SAFETY FIRST**

These safety precautions also translate to shoppers seeking an online experience in order to avoid being out in public when it's not absolutely necessary. For female consumers, that makes contactless payments and a well-functioning website incredibly important. In the past three months, most women are using contactless payments whenever possible, (56%) and shopping online as much as possible (52%).

## **CLEAN START**

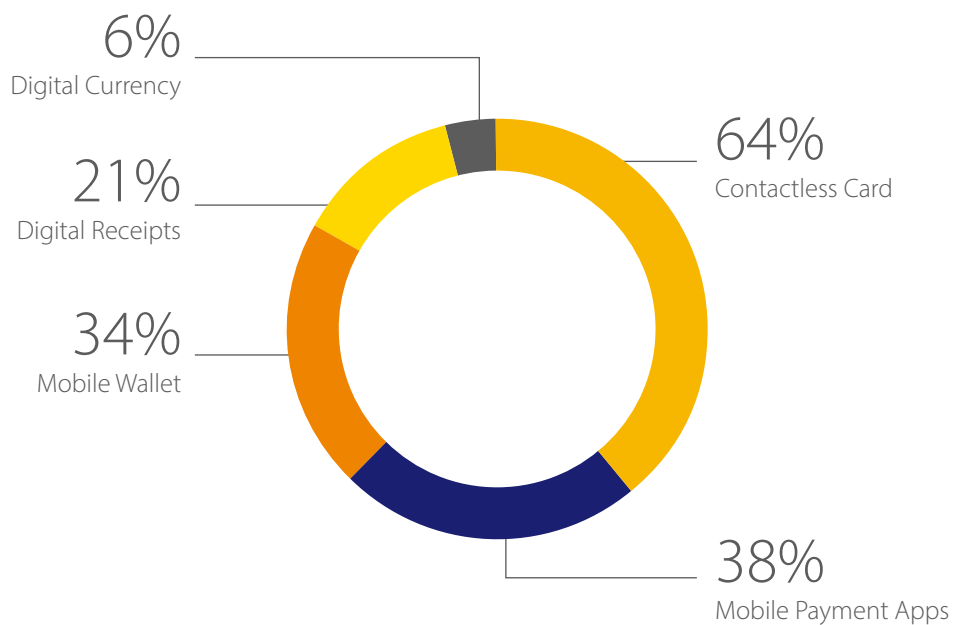
Women are so aware about the potential spread of the virus during shopping that they are literally taking matters in their own hands. Three in five (60%) take some kind of measure to keep their credit cards clean, including 31% who use disinfectant on them.

*In the past three months, most women are using contactless payments whenever possible, and shopping online as much as possible.*



A surprising number of trend-setting Millennial women have eliminated credit cards as an option altogether when shopping in person. About one in seven (14%) card-using Millennials stopped using cards for in-person payments altogether, more than double the rate of their Gen X (6%) and Boomer (2%) peers.

### Cash Or Contactless: Top In-Store Digital Payment Options Expected By Female Customers



#### NO LOOKING BACK

The pandemic has permanently raised the bar for women's expectations of safe shopping experiences. More than three in five (62%) women say they will prefer contactless payments just as much or even more after a COVID-19 vaccine is widely available.



A photograph of three diverse women walking on a city street. The woman in the foreground is wearing a red plaid shirt and is smiling. Behind her are two other women, one with dark hair and one with light skin, both also smiling. The background shows city buildings and a yellow taxi.

# Closing Summary

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## Female SMB and Consumer Global Takeaways

Female SMBs, especially Millennials, have faced the countless obstacles of the global pandemic with open minds that have helped their businesses thrive, with many of them returning to pre-pandemic status. The extra safety protocols female SMBs have adapted are encouraging their consumers to remain devoted, whether that be in-person with contactless payment options or online. Offering a contactless payment option is also proving to be a way to retain nearly half of Millennial female shoppers.

Though shoppers are often keeping their distance now, in-person shopping is poised for a comeback in the near future. The majority (51%) of women intend to do most of their shopping in-person after a vaccine is widely available.

When it comes to where they like to spend their money, women in the U.S. and Canada head in different directions than their peers in Brazil. Women in North America (U.S. and Canada) have one of the highest rates of shopping at larger retailers, including 47% of Canadian women and 45% of U.S. women who do a majority of their shopping there, making them second and third highest proportions of all markets surveyed, behind Russia at 69%. In South America, Brazil has the highest proportion of women who do a majority of their shopping locally (39%). However, when it comes to contactless shopping attitudes, the U.S. appears to be stuck in the middle. While a majority of Brazilian women (58%) and Canadian women (52%) wouldn't shop at a store that doesn't offer contactless payments (the second and third highest proportions of any market, respectively), less than half of U.S. women hold that same attitude (37%).



## Methodology

The Visa Back to Business – 2021 Women’s Edition was conducted by Wakefield Research among 2,250 small business owners at companies with 100 employees or fewer in the U.S., Germany, Canada, Ireland, Hong Kong, Singapore, Brazil, Russia, and UAE, between November 13 and November 25, 2020, using an email invitation and an online survey.

The consumer portion of the survey The Visa Back to Business Study was conducted among 1,000 adults ages 18+ in U.S. and 500 adults ages 18+ in Germany, Canada, Ireland, Hong Kong, Singapore, Brazil, Russia, and UAE, between November 13 and November 25, 2020, using an email invitation and an online survey. The data was weighted to ensure an accurate representation of adults ages 18+ in each market.

### BY THE NUMBERS

THE VISA BACK TO BUSINESS  
SURVEY METHODOLOGY



2,250 SMBs



5,000 Consumers



9 Markets

Brazil, Canada, Germany,  
Hong Kong, Ireland, Russia,  
Singapore, UAE, and the U.S.